

CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

5/28/2005

5/28/05

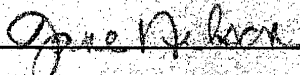
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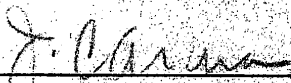
Honorable David Dewhurst
President of the Senate

Honorable Tom Craddick
Speaker of the House of Representatives

Sirs:

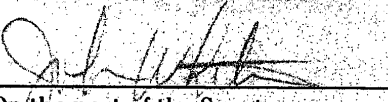
We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on Senate Bill 408 have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

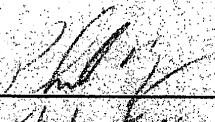
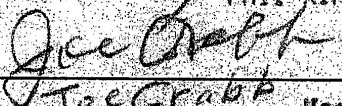

Sen. Jane Nelson, Chair


Sen. John Carona


Sen. Troy Fraser



Sen. Leticia Van de Putte


On the part of the Senate
Sen. John Whitmire


Phil King, Chair

Joe Crabb
Moe Crabb


Bob Hunter


Todd Baxter


On the part of the House
Sylvester Turner

Note to Conference Committee Clerk:

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filed in house of origin of the bill, and three copies in the other house.

CONFERENCE COMMITTEE REPORT

3rd Printing

S.B. No. 408

A BILL TO BE ENTITLED

AN ACT

relating to the continuation and functions of the Public Utility Commission of Texas; providing a penalty.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 12.005, Utilities Code, is amended to read as follows:

Sec. 12.005. APPLICATION OF SUNSET ACT. The Public Utility Commission of Texas is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter or by Chapter 39, the commission is abolished and this title expires September 1, 2011 [2005].

SECTION 2. Section 12.059, Utilities Code, is amended by adding Subsection (c) to read as follows:

(c) A person who is appointed to the commission is entitled to reimbursement, as provided by the General Appropriations Act, for the travel expenses incurred in attending the training program regardless of whether the attendance at the program occurs before or after the person qualifies for office.

SECTION 3. Section 12.102, Utilities Code, is amended to read as follows:

Sec. 12.102. DUTIES OF EMPLOYEES. The commission shall develop and implement policies that clearly separate ~~define~~ the polycymaking ~~respective~~ responsibilities of the commission and the management responsibilities of the commission employees.

SECTION 4. Section 12.153, Utilities Code, is amended to read as follows:

Sec. 12.153. RELATIONSHIP WITH TRADE ASSOCIATION. A person may not serve as a commissioner or be a commission employee who is employed in a "bona fide executive, administrative, or professional capacity," as that phrase is used for purposes of establishing an exemption to the overtime provisions of the federal Fair Labor Standards Act of 1938 (29 U.S.C. Section 201 et seq.), [exempt from the state's position classification plan or is compensated at or above the amount prescribed by the General Appropriations Act for step 1, salary group 17, of the position classification salary schedule] if the person is:

(1) an officer, employee, or paid consultant of a trade association; or

(2) the spouse of an officer, manager, or paid consultant of a trade association.

SECTION 5. Subchapter A, Chapter 14, Utilities Code, is amended by adding Section 14.0025 to read as follows:

Sec. 14.0025. NEGOTIATED RULEMAKING AND ALTERNATIVE DISPUTE RESOLUTION. (a) The commission shall develop and implement a policy to encourage the use of:

(1) negotiated rulemaking procedures under Chapter 2008, Government Code, for the adoption of commission rules; and

(2) appropriate alternative dispute resolution procedures under Chapter 2009, Government Code, to assist in the resolution of internal and external disputes under the commission's jurisdiction.

1 (b) The commission's procedures relating to alternative
2 dispute resolution must conform, to the extent possible, to any
3 model guidelines issued by the State Office of Administrative
4 Hearings for the use of alternative dispute resolution by state
5 agencies.

6 (c) The commission shall designate a trained person to:

7 (1) coordinate the implementation of the policy
8 adopted under Subsection (a);

9 (2) serve as a resource for any training needed to
10 implement the procedures for negotiated rulemaking or alternative
11 dispute resolution; and

12 (3) collect data concerning the effectiveness of those
13 procedures, as implemented by the commission.

14 SECTION 6. Subchapter B, Chapter 14, Utilities Code, is
15 amended by adding Section 14.059 to read as follows:

16 Sec. 14.059. TECHNOLOGY POLICY. The commission shall
17 implement a policy requiring the commission to use appropriate
18 technological solutions to improve the commission's ability to
19 perform its functions. The policy must ensure that the public is
20 able to interact with the commission on the Internet.

21 SECTION 7. Section 15.023, Utilities Code, is amended by
22 amending Subsections (b) and (c) and adding Subsection (d) to read
23 as follows:

24 (b) The penalty for a violation may be in an amount not to
25 exceed \$25,000 [~~\$5,000~~]. Each day a violation continues or occurs
26 is a separate violation for purposes of imposing a penalty.

27 (c) The commission by rule shall establish a classification

1 system for violations that includes a range [The amount] of [an]
2 administrative penalties that may be assessed for each class of
3 violation [penalty shall be] based on:

4 (1) the seriousness of the violation, including:

5 (A) the nature, circumstances, extent, and
6 gravity of a prohibited act; and

7 (B) the hazard or potential hazard created to the
8 health, safety, or economic welfare of the public;

9 (2) the economic harm to property or the environment
10 caused by the violation;

11 (3) the history of previous violations;

12 (4) the amount necessary to deter future violations;

13 (5) efforts to correct the violation; and

14 (6) any other matter that justice may require.

15 (d) The classification system established under Subsection
16 (c) shall provide that a penalty in an amount that exceeds \$5,000
17 may be assessed only if the violation is included in the highest
18 class of violations in the classification system.

19 SECTION 8. Subsection (b), Section 15.051, Utilities Code,
20 is amended to read as follows:

21 (b) The commission shall keep for a reasonable period
22 information about each complaint filed with the commission that the
23 commission has authority to resolve. The information shall
24 include:

25 (1) the date the complaint is received;

26 (2) the name of the complainant;

27 (3) the subject matter of the complaint;

1 (4) a record of each person contacted in relation to
2 the complaint;

3 (5) a summary of the results of the review or
4 investigation of the complaint; and

5 (6) if the commission took no action on the complaint,
6 an explanation of the reason the complaint was closed without
7 action.

8 SECTION 9. Section 39.151, Utilities Code, is amended by
9 amending Subsections (b) through (e), (g), and (h) and adding
10 Subsections (d-1) and (g-1) to read as follows:

11 (b) "Independent organization" means an independent system
12 operator or other person that is sufficiently independent of any
13 producer or seller of electricity that its decisions will not be
14 unduly influenced by any producer or seller. ~~[An entity will be~~
15 ~~deemed to be independent if it is governed by a board that has three~~
16 ~~representatives from each segment of the electric market, with the~~
17 ~~consumer segment being represented by one residential customer, one~~
18 ~~commercial customer, and one industrial retail customer.]~~

19 (c) The commission shall certify an independent
20 organization or organizations to perform the functions prescribed
21 by this section. The commission shall apply the provisions of this
22 section and Sections 39.1511, 39.1512, and 39.1515 so as to avoid
23 conflict with a ruling of a federal regulatory body.

24 (d) The commission shall adopt and enforce rules ~~[An~~
25 ~~independent organization certified by the commission for a power~~
26 ~~region shall establish and enforce procedures, consistent with this~~
27 ~~title and the commission's rules,]~~ relating to the reliability of

1 the regional electrical network and accounting for the production
2 and delivery of electricity among generators and all other market
3 participants, or may delegate to an independent organization
4 responsibilities for establishing or enforcing such rules. Any
5 such rules adopted by an independent organization and any
6 enforcement actions taken by the organization are~~[. The procedures~~
7 ~~shall be]~~ subject to commission oversight and review. An
8 independent organization certified by the commission is directly
9 responsible and accountable to the commission. The commission has
10 complete authority to oversee and investigate the organization's
11 finances, budget, and operations as necessary to ensure the
12 organization's accountability and to ensure that the organization
13 adequately performs the organization's functions and duties. The
14 organization shall fully cooperate with the commission in the
15 commission's oversight and investigatory functions. The
16 commission may take appropriate action against an organization that
17 does not adequately perform the organization's functions or duties
18 or does not comply with this section, including decertifying the
19 organization or assessing an administrative penalty against the
20 organization. The commission by rule shall adopt procedures
21 governing decertification of an independent organization,
22 selecting and certifying a successor organization, and
23 transferring assets to the successor organization to ensure
24 continuity of operations in the region. The commission may not
25 implement, by order or by rule, a requirement that is contrary to an
26 applicable federal law or rule.

27 (d-1) The commission may:

1 (1) require an independent organization to provide
2 reports and information relating to the independent organization's
3 performance of the functions prescribed by this section and
4 relating to the organization's revenues, expenses, and other
5 financial matters;

6 (2) prescribe a system of accounts for an independent
7 organization;

8 (3) conduct audits of an independent organization's
9 performance of the functions prescribed by this section or relating
10 to its revenues, expenses, and other financial matters and may
11 require an independent organization to conduct such an audit;

12 (4) inspect an independent organization's facilities,
13 records, and accounts during reasonable hours and after reasonable
14 notice to the independent organization;

15 (5) assess administrative penalties against an
16 independent organization that violates this title or a rule or
17 order adopted by the commission and, at the request of the
18 commission, the attorney general may apply for a court order to
19 require an independent organization to comply with commission rules
20 and orders in the manner provided by Chapter 15; and

21 (6) resolve disputes between an affected person and an
22 independent organization and adopt procedures for the efficient
23 resolution of such disputes.

24 (e) The commission may authorize an independent
25 organization that is certified under this section to charge a
26 reasonable and competitively neutral rate to wholesale buyers and
27 sellers to cover the independent organization's costs. The

1 commission shall investigate the organization's cost efficiencies,
2 salaries and benefits, and use of debt financing and may require the
3 organization to provide any information' needed to effectively
4 evaluate the organization's budget and the reasonableness and
5 neutrality of a rate or proposed rate or to evaluate the
6 effectiveness or efficiency of the organization. The commission
7 shall work with the organization to establish the detail of
8 information, both current and historical, and the time frames the
9 commission needs to effectively evaluate a rate or a rate request.

10 (g) To maintain certification as an independent
11 organization under this section, an organization's [If it amends
12 its governance rules to provide that its governing body is composed
13 as prescribed by this subsection, the existing independent system
14 operator in ERCOT will meet the criteria provided by Subsection (a)
15 with respect to ensuring access to the transmission systems for all
16 buyers and sellers of electricity in the ERCOT region and ensuring
17 the reliability of the regional electrical network. To comply with
18 this subsection, the] governing body must be composed of persons
19 specified by this section and selected in accordance with formal
20 bylaws or protocols of the organization. The bylaws or protocols
21 must be approved by the commission and must reflect the input of the
22 commission. The bylaws must specify the process by which
23 appropriate stakeholders elect members and, for unaffiliated
24 members, prescribe professional qualifications for selection as a
25 member. The bylaws must require the use of a professional search
26 firm to identify candidates for membership of unaffiliated members.
27 The process must allow for commission input in identifying

candidates. The governing body must be composed of:

(1) the chairman of the commission as an ex officio nonvoting member;

(2) the counsellor as an ex officio voting member representing residential and small commercial consumer interests;

(3) the chief executive officer ~~[director]~~ of the independent organization ~~[system operator]~~ as an ex officio voting member;

(4) six market participants elected by their respective market segments to serve one-year terms, with:

(A) one representing independent generators;

(B) one representing investor-owned utilities;

(C) one representing power marketers;

(D) one representing retail electric providers;

(E) one representing municipally owned utilities; and

(F) one representing electric cooperatives ~~[four representatives of the power generation sector as voting members];~~

(5) one member representing industrial consumer interests and elected by the industrial consumer market segment to serve a one-year term ~~[four representatives of the transmission and distribution sector as voting members];~~

(6) one member representing large commercial consumer interests selected in accordance with the bylaws to serve a one-year term ~~[four representatives of the power sales sector as voting members]; and~~

(7) five members unaffiliated with any market segment

1 and selected by the other members of the governing body to serve
2 three-year terms ~~[the following people as voting members, appointed~~
3 ~~by the commission]~~

4 ~~[(A) one representative of residential~~
5 ~~customers,~~

6 ~~[(B) one representative of commercial customers,~~
7 ~~and~~

8 ~~[(C) one representative of industrial customers.~~

9 ~~[The four representatives specified in each of Subdivisions~~
10 ~~(4), (5), and (6) shall be selected in a manner that ensures~~
11 ~~equitable representation for the various sectors of industry~~
12 ~~participants].~~

13 (g-1) The presiding officer of the governing body must be
14 one of the members described by Subsection (g)(7).

15 (h) The ERCOT independent system operator may meet the
16 criteria relating to the other functions of an independent
17 organization provided by Subsection (a) by adopting procedures and
18 acquiring resources needed to carry out those functions, consistent
19 with any rules or orders of the commission.

20 SECTION 10. Subchapter D, Chapter 39, Utilities Code, is
21 amended by adding Sections 39.1511, 39.1512, and 39.1515 to read as
22 follows:

23 Sec. 39.1511. PUBLIC MEETINGS OF THE GOVERNING BODY OF AN
24 INDEPENDENT ORGANIZATION. (a) Meetings of the governing body of
25 an independent organization certified under Section 39.151 and
26 meetings of a subcommittee that includes a member of the governing
27 body must be open to the public. The bylaws of the independent

organization and the rules of the commission may provide for the governing body or subcommittee to enter into executive session closed to the public to address sensitive matters such as confidential personnel information, contracts, lawsuits, competitively sensitive information, or other information related to the security of the regional electrical network.

(b) The bylaws of the independent organization and rules of the commission must ensure that a person interested in the activities of the independent organization has an opportunity to obtain at least seven days' advance notice of meetings and the planned agendas of the meetings and an opportunity to comment on matters under discussion at the meetings. The bylaws and commission rules governing meetings of the governing body may provide for a shorter period of advance notice and for meetings by teleconference technology for governing body meetings to take action on urgent matters. The bylaws and rules must require actions taken on short notice or at teleconference meetings to be ratified at the governing body's next regular meeting. The notice requirements may be met by a timely electronic posting on the Internet.

Sec. 39.1512. DISCLOSURE OF INTEREST IN MATTER BEFORE INDEPENDENT ORGANIZATION'S GOVERNING BODY; PARTICIPATION IN DECISION. (a) If a matter comes before the governing body of an independent organization certified under Section 39.151 and a member has a direct interest in that matter or is employed by or has a substantial financial interest in a person who has a direct interest in that matter, that member shall publicly disclose the

1 fact of that interest to the governing body at a public meeting of
2 the body. The member shall recuse himself or herself from the
3 governing body's deliberations and actions on the matter and may
4 not vote on the matter or otherwise participate in a governing body
5 decision on the matter.

6 (b) A disclosure made under Subsection (a) shall be entered
7 in the minutes of the meeting at which the disclosure is made.

8 (c) The fact that a member is recused from a vote or decision
9 by application of this section does not affect the existence of a
10 quorum.

11 Sec. 39.1515. WHOLESALE ELECTRIC MARKET MONITOR. (a) An
12 independent organization certified under Section 39.151 shall
13 contract with an entity selected by the commission to act as the
14 commission's wholesale electric market monitor to detect and
15 prevent market manipulation strategies and recommend measures to
16 enhance the efficiency of the wholesale market.

17 (b) The independent organization shall provide to the
18 personnel of the market monitor:

19 (1) full access to the organization's main operations
20 center and the organization's records that concern operations,
21 settlement, and reliability; and

22 (2) other support and cooperation the commission
23 determines is necessary for the market monitor to perform the
24 market monitor's functions.

25 (c) The independent organization shall use money from the
26 rate authorized by Section 39.151(e) to pay for the market
27 monitor's activities.

1 (d) The commission is responsible for ensuring that the
2 market monitor has the resources, expertise, and authority
3 necessary to monitor the wholesale electric market effectively and
4 shall adopt rules and perform oversight of the market monitor as
5 necessary. The market monitor shall operate under the supervision
6 and oversight of the commission. The commission shall retain all
7 enforcement authority conferred under this title, and this section
8 may not be construed to confer enforcement authority on the market
9 monitor or to authorize the commission to delegate the commission's
10 enforcement authority to the market monitor. The commission by
11 rule shall define:

12 (1) the market monitor's monitoring responsibilities,
13 including reporting obligations and limitations;

14 (2) the standards for funding the market monitor,
15 including staffing requirements;

16 (3) qualifications for personnel of the market
17 monitor; and

18 (4) ethical standards for the market monitor and the
19 personnel of the market monitor.

20 (e) In adopting rules governing the standards for funding
21 the market monitor, the commission shall consult with a
22 subcommittee of the independent organization's governing body to
23 receive information on how money is or should be spent for
24 monitoring functions. Rules governing ethical standards must
25 include provisions designed to ensure that the personnel of the
26 market monitor are professionally and financially independent from
27 market participants. The commission shall develop and implement

1 policies that clearly separate the policymaking responsibilities
2 of the commission and the monitoring, analysis, and reporting
3 responsibilities of the market monitor.

4 (f) The market monitor immediately shall report directly to
5 the commission any potential market manipulations and any
6 discovered or potential violations of commission rules or rules of
7 the independent organization.

8 (g) The personnel of the market monitor may communicate with
9 commission staff on any matter without restriction.

10 (h) The market monitor annually shall submit to the
11 commission and the independent organization a report that
12 identifies market design flaws and recommends methods to correct
13 the flaws. The commission and the independent organization shall
14 review the report and evaluate whether changes to rules of the
15 commission or the independent organization should be made.

16 SECTION 11. Subsection (e), Section 39.903, Utilities Code,
17 as amended by Chapters 1394, 1451, and 1466, Acts of the 77th
18 Legislature, Regular Session, 2001, is reenacted and amended to
19 read as follows:

20 (e) Money in the system benefit fund may be appropriated to
21 provide funding solely for the following regulatory purposes, ~~and~~
22 in the following order of priority:

23 (1) programs to:

24 (A) assist low-income electric customers by
25 providing the 10 percent reduced rate prescribed by Subsection (h);
26 and

27 (B) provide one-time bill payment assistance to

1 electric customers who are or who have in their households one or
2 more seriously ill or disabled low-income persons and who have been
3 threatened with disconnection for nonpayment;

4 (2) customer education programs, administrative
5 expenses incurred by the commission in implementing and
6 administering this chapter, and expenses incurred by the office
7 under this chapter;

8 (3) programs to assist low-income electric customers
9 by providing the targeted energy efficiency programs described by
10 Subsection (f)(2);

11 (4) the school funding loss mechanism provided by ,
12 Section 39.901;

13 (5) programs to assist low-income electric customers
14 by providing the 20 percent reduced rate prescribed by Subsection
15 (h); and

16 (6) reimbursement to the commission and the Health and
17 Human Services Commission [~~Texas Department of Human Services~~] for
18 expenses incurred in the implementation and administration of an
19 integrated eligibility process created under Section 17.007 for
20 customer service discounts relating to retail electric service,
21 including outreach expenses the commission determines are
22 reasonable and necessary.

23 SECTION 12. Section 39.903, Utilities Code, is amended by
24 adding Subsection (j-1) to read as follows:

25 (j-1) The commission shall adopt rules governing the bill
26 payment assistance program provided under Subsection (e)(1)(B).
27 The rules must provide that a customer is eligible to receive the

1 assistance only if the assistance is necessary to prevent the
2 disconnection of service for nonpayment of bills and the electric
3 customer is or has in the customer's household one or more seriously
4 ill or disabled low-income persons whose health or safety may be
5 injured by the disconnection. The commission may prescribe the
6 documentation necessary to demonstrate eligibility for the
7 assistance and may establish additional eligibility criteria. The
8 Health and Human Services Commission, on request of the commission,
9 shall assist in the adoption and implementation of these rules.

10 SECTION 13. (a) The Public Utility Commission of Texas
11 shall conduct a comprehensive review of the reporting requirements
12 relating to telecommunications providers that are prescribed by
13 statute or commission rules.

14 (b) In conducting the review, the Public Utility Commission
15 of Texas shall:

16 (1) solicit input and assistance from appropriate
17 affected persons, as that term is defined by Section 11.003,
18 Utilities Code; and

19 (2) consider:

20 (A) the manner in which information included in a
21 report is used;

22 (B) whether information included in a report is
23 duplicative of information included in a different report; and

24 (C) whether the requirements relating to a report
25 the commission determines is necessary can be changed to make the
26 reporting process more efficient.

27 (c) The Public Utility Commission of Texas shall conclude

1 the review required by this section not later than September 30,
2 2006, and shall report to the legislature on the results of the
3 review. The report must include:

4 (1) specific recommendations on which reports the
5 commission determines are necessary and which are not necessary;

6 (2) for a report the commission determines is
7 necessary, whether the requirements relating to the report can be
8 changed to make the reporting process more efficient; and

9 (3) the actions the commission has taken or will take
10 to amend commission rules to reflect the results of the review.

11 (d) If the Public Utility Commission of Texas determines
12 that legislation is necessary or appropriate to eliminate or change
13 reporting requirements prescribed by statute, the commission shall
14 include those recommendations in the biennial report to the
15 legislature required by Section 52.006, Utilities Code.

16 SECTION 14. Section 52.254, Utilities Code, is repealed.

17 SECTION 15. The change in law made by this Act relating to
18 qualifications and eligibility to serve as a commissioner or to be
19 employed with the Public Utility Commission of Texas applies only
20 to a commissioner or employee appointed or employed after the
21 effective date of this Act. A commissioner or employee of the
22 Public Utility Commission of Texas who is serving or employed on the
23 effective date of this Act is governed by the law as it existed
24 immediately before the effective date of this Act, and the former
25 law is continued in effect for that purpose.

26 SECTION 16. The change in law made by this Act to Section
27 15.023, Utilities Code, applies only to a violation committed on or

1 after the effective date of this Act. A violation committed before
2 the effective date of this Act is governed by the law in effect when
3 the violation was committed, and the former law is continued in
4 effect for that purpose.

5 SECTION 17. An independent organization certified by the
6 Public Utility Commission of Texas before September 1, 2005, shall
7 modify the organization's governing body to comply with Subsection
8 (g), Section 39.151, Utilities Code, as amended by this Act, not
9 later than September 1, 2006. On or after September 1, 2006, the
10 Public Utility Commission of Texas may decertify an independent
11 organization whose governing body does not comply with Subsection
12 (g), Section 39.151, Utilities Code, as amended by this Act.

13 SECTION 18. This Act takes effect September 1, 2005.

SENATE BILL 408
CONFERENCE COMMITTEE REPORT
SIDE-BY-SIDE ANALYSIS

Senate

House

Conference Committee

No equivalent provision.

SECTION 1. Changes heading of Subtitle A, Title 2, Utilities Code from PROVISIONS APPLICABLE TO ALL UTILITIES to GENERALLY APPLICABLE PROVISIONS.

Same as Senate version.

No equivalent provision.

SECTION 2. Amends Utilities Code Sections 11.002(a) and (b) to establish that the title is enacted to protect the public interest inherent in the delivery of services and deployment of networks by telecommunications providers, rather than in the rates and services of public utilities.

Same as Senate version.

No equivalent provision.

SECTION 3. Amends Utilities Code Sections 11.003(1), (2), (3), (8), (10), (13), (16), (19), (20), and (21) to amend definitions and add new definitions. Amends definition of affiliate to provide that an entity would be an affiliate if determined to be one under federal law as well as PURA §11.006. Clarifies that the term, allocation, applies to an electric utility rather than a public utility. Amends definition of service to include basic local telecommunications service, interexchange telecommunications service, local exchange telephone service, transmission service and any service provided by a utility or electric utility.

Same as Senate version.

No equivalent provision.

SECTION 4. Amends Chapter 11, Utilities Code by adding Sections 11.0042 and 11.0045 to clarify that the terms, person or corporation, exclude registered brokers or dealers, banks or insurance companies, investment advisors or companies, employee benefit plans, endowment funds or similar entities. Clarifies that the term person does not

Same as Senate version.

SENATE BILL 408
CONFERENCE COMMITTEE REPORT
SIDE-BY-SIDE ANALYSIS

Senate

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Conference Committee

include an entity that owns, holds or controls voting securities of a public utility or parent corporation. Adds a definition of provider, to mean service provider or network provider. (Amended by Second Reading Amendments #1 by King of Parker and #9 by Turner.)

No equivalent provision.

SECTION 5. Amends Utilities Code Section 11.006 to add new definitions to PUC's authority to make determinations of affiliates of providers or public utilities.

Same as Senate version.

No equivalent provision.

SECTION 6. Adds Utilities Code Section 11.010 to provide that only a licensed attorney may represent an entity in a contested proceeding hearing before the commission or a contested case. Authorizes PUC to make exceptions based on the circumstances of a particular proceeding. Exempts expert witnesses and consultants. (Amended by Second Reading Amendment #1 by King of Parker.)

Same as Senate version.

No equivalent provision.

SECTION 7. Amends Utilities Code Section 12.004 to require the attorney general to represent the commission in a matter before a federal service regulatory commission in addition to current requirements for representation before a state court, a United States court, and a federal public utility regulatory commission.

Same as Senate version.

SECTION 1. Amends Utilities Code Section 12.005 to change Sunset date of the Public Utility Commission to 2011.

SECTION 8. Same as Senate version.

SECTION 1. Same as Senate version.

SENATE BILL 408
CONFERENCE COMMITTEE REPORT
SIDE-BY-SIDE ANALYSIS

Senate	House	Conference Committee
No equivalent provision.	SECTION 9. Deleted by Second Reading Amendment #1 by King of Parker.	Same as Senate version.
No equivalent provision.	SECTION 10. Amends Utilities Code Section 12.053(b) to amend conflict of interest provisions for PUC Commissioners to include providers in the provisions that make a person ineligible for appointment as a commissioner.	Same as Senate version.
No equivalent provision.	SECTION 11. Amends Utilities Code Section 12.054(a) to add personal service as an officer, director, owner, employee, partner, or legal representative of a utility, provider, affiliate, or direct competitor of a utility or provider to the provisions governing the grounds for removal of Commissioners.	Same as Senate version.
SECTION 2. Adds Utilities Code Section 12.059(c) to modify standard Sunset language requiring members of the Commission to complete training before assuming their duties by specifying that appointees are entitled to travel reimbursement for training.	SECTION 12. Same as Senate version.	SECTION 2. Same as Senate version.
SECTION 3. Amends Utilities Code Section 12.102 to update standard Sunset language requiring the Commission to separate its policymaking duties from the agency's management functions.	SECTION 13. Same as Senate version.	SECTION 3. Same as Senate version.
No equivalent provision.	SECTION 14. Amends Utilities Code Section 12.152(a) to amend eligibility for appointment as commissioner or executive director to include the terms utility, provider,	Same as Senate version.

SENATE BILL 408
CONFERENCE COMMITTEE REPORT
SIDE-BY-SIDE ANALYSIS

Senate

House

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direct competitor, and affiliate in provisions.

SECTION 4. Amends Utilities Code Section 12.153 to update standard Sunset language prohibiting Commission members, high level employees, and spouses from serving as an officer or employee of a related Texas trade association.

SECTION 15. Same as Senate version.

SECTION 4. Same as Senate version.

No equivalent provision.

SECTION 16. Amends Utilities Code Section 12.154(a), (b), (c), (d), (f), and (h) to include the term, provider, in conflict of interest prohibitions on commissioner or commission employee.

Same as Senate version.

No equivalent provision.

SECTION 17. Amends Utilities Code Section 12.155(a) and (c) to add providers to the list of entities in the commission post-employment restriction provision.

Same as Senate version.

No equivalent provision.

SECTION 18. Amends Utilities Code Section 12.252 to require providers to make an effort to overcome the underuse of historically underutilized businesses.

Same as Senate version.

No equivalent provision.

SECTION 19. Amends Utilities Code Section 12.253 to include provider in the list of entities required to submit an annual report on use of historically underutilized businesses.

Same as Senate version.

No equivalent provision.

SECTION 20. Amends Utilities Code Section 14.001 to add the ability to regulate and supervise providers to PUC's general powers.

Same as Senate version.

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SECTION 5. Amends Subchapter A, Chapter 14, Utilities Code to add Section 14.0025 to include standard Sunset language requiring the Commission to develop a policy that encourages the use of negotiated rulemaking and alternative dispute resolution.

No equivalent provision.

No equivalent provision.

SECTION 6. Amends Subchapter B, Chapter 14, Utilities Code to add Section 14.059 to add standard Sunset language requiring the Commission to make effective use of technology in its delivery of services and provision of information to the public.

No equivalent provision.

No equivalent provision.

SECTION 21. Same as Senate version.

SECTION 22. Amends Utilities Code Section 14.008(a) to provide that, under certain circumstances, provided elsewhere in PURA, PUC may restrict a municipality's right to grant, refuse, or charge for the use of streets and alleys.

SECTION 23. Amends Utilities Code Section 14.058 to update reference to the Texas Building and Procurement Commission.

SECTION 24. Same as Senate version.

SECTION 25. Amends Utilities Code Section 14.101(d) to remove PUC's authority to review utility mergers and acquisitions of certain certificated telecommunication utilities or when a federal agency has authority to review the transaction. (Amended by Second Reading Amendment #1 by King of Parker.)

SECTION 26. Amends Subchapter B, Chapter 15, Utilities

SECTION 5. Same as Senate version.

Same as Senate version.

Same as Senate version.

SECTION 6. Same as Senate version.

Same as Senate version.

Same as Senate version.

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Code to add Section 15.0205 to broaden definition of the term, person, to include municipally owned utilities and electric cooperatives for enforcing compliance with independent organization's protocols and market power abuses.

SECTION 7. Amends Utilities Code Section 15.023 to decrease PUC's maximum administrative penalty from \$5,000 to \$25,000 per day, per violation. Requires PUC to establish a classification system that includes a range of penalties that may be assessed for each class of violation. Provides that only the highest class, consisting of the most serious violations, may result in penalties exceeding \$5,000.

No equivalent provision.

No equivalent provision.

SECTION 27. Same as Senate version, except provides that PUC's classification system may also consider the amount of a penalty imposed on a similarly situated person; provides that only the highest class of violations may result in penalties exceeding \$10,000; and permits assessment of a penalty for the highest class of violations for a person who willfully and knowingly violates this title or a rule or order adopted under this title. (Amended by Second Reading Amendments #1 by King of Parker and #5 by Solomons.)

SECTION 28. Amends Utilities Code Section 15.024 to revise administrative penalty procedure to authorize executive director action based on contention rather than determination. Requires executive director to indicate whether end-user service is basis of contention and explain recommended penalty considering seriousness of violation, economic harm, and past history. If end-use consumer is involved, notice must include customer contact information. Extends period to accept or agree not to contest a contention and recommended penalty from 20 days to 60 days.

SECTION 29. Amends Utilities Code Section 15.027(c) to

SECTION 7. Same as Senate version.

Same as Senate version.

Same as Senate version.

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provide that the executive director may delegate duties related to administrative penalties only to the deputy executive director.

No equivalent provision.

SECTION 30. Amends Utilities Code Section 15.032(b) and adds 15.032(c) to prohibit an action for civil damages against violations of independent organization's rules, policies, protocols, or market power abuses if PUC has taken administrative action to address the conduct.

Same as Senate version.

No equivalent provision.

SECTION 31. Amends Utilities Code Section 15.033 to revise title of section to read, DISPOSITION OF CERTAIN AMOUNTS rather than DISPOSITION OF FINES AND PENALTIES. Provides that disgorgements or refunds shall be paid to the independent organization for distribution according to commission order.

Same as Senate version.

SECTION 8. Amends Utilities Code Section 15.051 (b) to modify standard Sunset language requiring the agency to maintain information on all complaints and notify the parties about policies for and status of complaints.

SECTION 32. Amends Utilities Code Section 15.051(a) and (b).
(a) Includes reference to the term, provider, in section authorizing complaints by affected persons.
(b) Same as Senate version.

SECTION 8. Same as Senate version.

No equivalent provision.

SECTION 33. Revises the heading of Subchapter A, Chapter 16, from ASSESSMENT ON PUBLIC UTILITIES, to read ASSESSMENT ON UTILITIES, RETAIL ELECTRIC PROVIDERS, ELECTRIC COOPERATIVES, AND PROVIDERS.

Same as Senate version.

No equivalent provision.

SECTION 34. Amends Utilities Code Section 16.001 to

Same as Senate version.

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revise assessments for the Gross Receipts Tax. Revises the assessment amount by providing that one-sixth of 1 percent of gross receipts is a cap rather than a set assessment. Provides that assessment covers gross receipts from services of public utilities, retail electric providers, providers, and electric cooperatives over which the commission has jurisdiction, rather than from rates charged to consumers. Requires customer bills to list charges as the "public utility commission gross receipts assessment" rather than the "utility gross receipts assessment". (Amended by Second Reading Amendment #1 by King of Parker.)

No equivalent provision.

SECTION 35. Amends Utilities Code Section 16.002(b) to include references to provider, utility, retail electric provider, and electric cooperative.

Same as Senate version.

No equivalent provision.

SECTION ___. Amends Utilities Code Section 31.003 by adding subsection (c) to allow PUC to include its Electric Scope of Competition Reports with other required reports. (Added by Second Reading Amendment #1 by King of Parker.)

Same as Senate version.

No equivalent provision.

SECTION ___. Amends Utilities Code Section 32.001(b) to clarify that PUC has appellate jurisdiction over Chapter 33 which affects municipally owned utilities. (Added by Second Reading Amendment #23 by Martinez Fischer.)

Same as Senate version.

No equivalent provision.

SECTION ___. Amends Subchapter E, Chapter 36, Utilities Code to add Section 36.209 to require PUC to adopt a

Same as Senate version.

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mechanism for electric utilities to recover, from customers, research and development costs related to producing, transmitting, distributing, storing, metering, and using electricity; mitigating competitive market risks; minimizing environmental impacts of electrical production and transmission; and developing uniform commercial standards. Requires PUC rules to encourage electric utilities to take advantage of research and development resources in Texas, including state institutions. (Added by Second Reading Amendment #31 by Farabee.)

No equivalent provision.

SECTION __. Deletes Utilities Code Section 39.107(g). Allows prepaid electric service providers to sell electricity at a price higher rate than the price charged by the provider of last resort. (Added by Second Reading Amendment #35 by Crabb)

Same as Senate version.

SECTION 9. Amends Utilities Code Section 39.151 by amending Subsections (b) through (e), (g), and (h) and adding Subsections (d-1) and (g-1).
39.151(b) Removes PUC's authority to certify an independent organization with a board structure different from that specified in statute.

SECTION __. Amends Utilities Code Section 39.151 by amending Subsections (b) through (e), (g), and (h) and adding Subsection (g-1).
39.151(b) Same as Senate version. (Added by Second Reading Amendment #3 by Solomons.)

SECTION 9. Same as Senate version.

39.151(c) Directs PUC to apply provisions of this section and Sections 39.1511 (Public Meetings of the Governing Body of an Independent Organization), 39.1512 (Disclosure of Interest in Matter Before Independent Organization's Governing Body; Participation in Decision), and 39.1515 (Wholesale Electric Market Monitor) so as to

39.151(c) Provides that PUC has complete authority to oversee, require approval, and order modifications of any part of the finances, budget, or operations of the independent organization. Does not include language on conflicts with federal agencies. (Second Reading Amendment #4 by Hopson)

Same as Senate version.

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avoid conflict with a ruling of a federal regulatory body.

39.151(d) Requires PUC to adopt rules relating to the reliability of the electrical network and accounting for production and delivery of electricity. Removes independent organization's authority to adopt reliability rules, except under delegation by PUC. Provides that the independent organization is directly responsible and accountable to PUC. Clarifies PUC's complete authority to oversee and investigate all facets of independent organization's finances, budget, and operations. Requires independent organization to fully cooperate with PUC for oversight and investigations. Provides authority for PUC to decertify or assess administrative penalties against the independent organization if it does not adequately perform assigned functions. Requires PUC to adopt procedures governing decertification, and selecting, certifying, and transferring assets to a successor organization. Restricts PUC authority when contrary to federal law or rule.

39.151(d-1) Provides specific authority for PUC to require reports and information related to functions assigned by section or related to revenues, expenses and other financial matters; prescribe system of accounts; conduct audits of independent organization's performance or finances, and may require independent organization to conduct such audits; inspect facilities, records, and accounts; assess administrative penalties if independent organization violates PURA or PUC rule; request Attorney General to apply for court order to require independent organization to

39.151(d) Continues independent organization's independent authority to adopt reliability rules, subject to PUC oversight and review. Grants PUC power to regulate and supervise the independent organization. Requires the independent organization to cooperate with PUC's oversight and investigations. Grants authority for PUC to decertify the independent organization. Does not include administrative penalties or rules on selecting a successor organization. (Second Reading Amendment #4 by Hopson)

39.151(d-1) No equivalent provision. (Second Reading Amendment #4 by Hopson)

Same as Senate version.

Same as Senate version.

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comply with PURA or PUC rule; and resolve disputes between an affected person and independent organization.

39.151(e) Requires PUC to investigate independent organization's cost efficiencies, salaries and benefits, and use of debt financing. Provides PUC authority to require any information needed to effectively evaluate independent organization's budget and reasonableness and neutrality of fees. Requires PUC to establish level of detail, for both historical and current budget information, and time frames needed to effectively evaluate rate request.

39.151(g) Requires independent organization to adopt a new board structure in order to maintain certification by PUC. Adds two independent members to the independent organization Board (5 total). Specifies that the Public Utility Counsel represents residential and small commercial interests.

39.151(g-1) Provides that the independent organization Chair must be an independent member.

39.151(h) Amends independent organization's existing authority to adopt procedures and acquire resources needed to meet statutory requirements to ensure open access to

39.151(e) Requires PUC to create rules requiring the independent organization to provided sufficiently detailed budgetary information. Rules must include timetables for filing. PUC's budget review must include a review of salaries, benefits, and debt financing. After determining the reasonableness and necessity of the independent organization's budget, PUC may authorize a reasonable and competitively neutral rate charge to wholesale buyers and sellers to allow the independent organization a reasonable opportunity to take in a reasonable and necessary amount of revenue. PUC may inquire into reasonableness of rates on its own initiative or on receiving a complaint. (Second Reading Amendment #4 by Hopson)

39.151(g) Same as Senate version. (Added by Second Reading Amendment #3 by Solomons.)

39.151(g-1) Same as Senate version. (Added by Second Reading Amendment #3 by Solomons.)

39.151(h) Same as Senate version. (Added by Second Reading Amendment #3 by Solomons.)

Same as Senate version.

Same as Senate version.

Same as Senate version.

Same as Senate version.

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transmission and distribution systems, reliability, ensure timely completion of customer choice decisions, and ensure accurate accounting for electricity production and delivery, to provided that independent organization's authority must be consistent with any rules or orders of the commission.

SECTION 10. Amends Subchapter D, Chapter 39 Utilities Code to add Sections 39.1511, 39.1512, and 39.1515 to require the independent organization's board meetings to be open. Requires the independent organization Board members to disclose any conflicts of interest and recuse themselves from any vote directly related to those interests. Requires the independent organization to contract with, fund, and support the operations of a private company to perform market monitoring. Requires PUC to select the monitoring company, define the company's monitoring responsibilities, and set standards for funding, staff qualifications, and ethical conduct. Requires the market monitoring company to submit an annual report to PUC and the independent organization identifying market design, flaws and recommending methods to fix the flaws.

No equivalent provision.

SECTION __. Same as Senate version. (Added by Second Reading Amendments #2 and #3 by Solomons.)

SECTION __. Amends Chapter 39, Utilities Code to add Section 39.2025 to provide that the State's policy is to ensure that all electric customers in ERCOT have access to electric energy service at reasonable rates, and to require PUC to study methods to ensure residential customers will continue to have default electric service available at reasonable rates. Provides that study must be completed by February 1, 2006 and that PUC must determine a

SECTION 10. Same as Senate version.

Same as Senate version.

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mechanism by which residential customers served by affiliated retail electric providers are able to receive the lowest cost default electric service by January 1, 2007. PUC must also present the report and recommendations to the Joint Electric Utility Restructuring Legislative Oversight Committee by March 1, 2006. Requires the Committee to hold hearings on the study in each region of the state served by affiliated retail electric providers and to make recommendations to the 80th Legislature. (Added by Second Reading Amendment #24 by Turner.)

No equivalent provision.

SECTION __. Amends Utilities Code Section 39.205 to require PUC to adopt rules that ensure that any leftover nuclear decommissioning funds are refunded to retail customers. (Added by Second Reading Amendment #1 by King of Parker.)

Same as Senate version.

No equivalent provision.

SECTION 36. Amends Utilities Code Section 39.262(c) to grant transmission and distribution utilities the option to securitize costs not included in the current definition of stranded costs, including the former electric utility's final fuel balance, and any difference between the price of power obtained through the capacity auctions and the power cost projections.

Same as Senate version.

No equivalent provision.

SECTION 37. Amends Utilities Code Section 39.301 to add amounts determined as a result of cost of service tariffs and true-up proceedings to the charges that utilities may recover through securitization financing. (Amended by Second Reading Amendment #1 by King of Parker.)

Same as Senate version.

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No equivalent provision.

SECTION 38. Amends Utilities Code Section 39.302(4) to redefine qualified costs to include true-up amounts other than stranded costs.

Same as Senate version.

No equivalent provision.

SECTION 39. Amends Utilities Code Section 39.303(a) and (b) to replace limiting references to eligible stranded costs with broader references to other amounts.

Same as Senate version.

SECTION 11. Amends Utilities Code Section 39.903(e) to expand the use of the System Benefit Fund to assist needy patients on life support or with serious health problems who are threatened with disconnection for nonpayment.

No equivalent provision.

SECTION 11. Same as Senate version.

SECTION 12. Amends Utilities Code Section 39.903 to add Subsection (j-1) to require PUC to adopt rules governing the expansion of the System Benefit Fund to assist needy patients on life support or with serious health problems who are threatened with disconnection for nonpayment.

No equivalent provision.

SECTION 12. Same as Senate version.

No equivalent provision.

SECTION __. Amends Chapter 51, Utilities Code to add Section 51.011 to allow telecommunications providers to recover the cost of tax assessments (such as the Telecommunications Infrastructure Fund assessment) from customers. (Added by Second Reading Amendment #1 by King of Parker.)

Same as Senate version.

No equivalent provision.

SECTION __. Amends Utilities Code Section 52.006 by adding Subsection (e) to allow PUC to include its Telecommunications Scope of Competition Reports with

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other required reports. (Added by Second Reading Amendment #1 by King of Parker.)

No equivalent provision.

SECTION __. Amends Utilities Code Section 56.021 to add an audio newspaper program to the permissible uses of money in the universal service fund. (Added by Second Reading Amendment #30 by Naishtat.)

Same as Senate version.

No equivalent provision.

SECTION __. Amends Chapter 56, Utilities Code to add Subchapter H to establish an audio newspaper program that will provide free telephone service for blind and visually impaired persons offering text of newspapers using synthetic speech. Grants PUC rulemaking authority to implement the program. (Added by Second Reading Amendment #30 by Naishtat.)

Same as Senate version.

No equivalent provision.

SECTION 40. Amends Subtitle C, Title 2, Utilities Code, to add Chapter 65, Statewide Cable and Video Franchise. 65.001 defines cable service, cable service provider, certificated provider, communications facility, communications network, communications service, communications service provider, franchise, franchise fee, franchisee, public right-of-way, video programming, video service, video service provider, and voice service. 65.002 requires application with PUC to provide cable or video service. PUC's certificate grants authority to provide cable or video service, authority to use and occupy the rights-of-way to deliver service, and is transferable. 65.003 Cable service providers may terminate municipal franchise agreements by providing written notice and

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paying any unpaid fees due. Requires cable service providers to continuing to remit franchise fees until the date the franchise was to expire, unless the provider serves less than 35 percent of the total cable customer in the municipality. (Amended by Second Reading Amendment #16 by Dutton, and Third Reading Amendment #1 by King of Parker.)

65.004(a) requires franchises to provide municipalities public, educational, and governmental (PEG) access channels for noncommercial programming. If municipality did not have PEG channels on September 1, 2005, requires three channels for municipality with at least 50,000 population and two channels for municipality with less than 50,000.

65.004(b) provides that the number of PEG channels not be less than the number of channels as of September 1, 2005; cable or video service provider may place any channel on any tier of service except municipality may designate up to three PEG channels to remain on the lowest service tier; channels are considered utilized when 12 hours are programmed each calendar day; municipality bear costs to establish connection; municipality must operate PEG channels; channels not used for at least eight hours a day may be reprogrammed. (Amended by Second Reading Amendment #17 by Dutton)

65.004(c) provides that requirements apply equally to cable or video service providers that deliver service over networks it owns or leases, or over the network of a third party.

65.004(d) allows municipality may only enforce requirements by initiating a proceeding with PUC.

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65.004(e) provides that municipalities must provide programming in form capable of being accepted and transmitted by a provider.

65.004(f) provider may not deny access to service to potential residential subscribers because of income.

65.004(g) only an affected person may seek enforcement. Includes municipalities in definition of affected person.

65.004(h) requires providers to comply with customer service requirements in federal law until more than two providers are offering service.

65.004(i) provides that the state, PUC, or a political subdivision may not require a mandatory build out on either a cable or video service provider.

65.004(j) provides that cable or video service provider found by PUC to not be in compliance be first ordered to cure such noncompliance within a reasonable period of time before PUC may take administrative penalties.

65.004(k) provides that PUC may not discriminate against any cable or video service provider and provides that all requirements must be uniformly applied. A municipality's authority to regulate a cable or video service provider is limited to imposing a requirement to register and maintain a point of contact; reasonable guidelines regarding use of public, educational, and governmental access channels; and a requirement to submit reports on customer service standards.

65.004(l) requires PUC to adopt a policy to receive service quality complaints from customers of cable and video providers and to post information on the numbers of complaints lodged against franchise holders on the Internet.

65.004(m) provides that municipality may exercise

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nondiscriminatory police power with respect to use of the public rights-of-way. PUC has authority to enforce and determine the lawfulness of municipal ordinances adopted under this section.

65.004(n) provides that municipality may not require compensation for use of public right-of-way.

65.004(o) requires cable or video service providers to pay each municipality in which it provides service a fee equal to 5 percent of gross revenues. (Amended by Second Reading Amendment #16 by Dutton)

65.004(p) defines gross revenues

65.004(q) provides that gross revenues do not include revenues not actually received; revenues received by affiliate; refunds, rebates, or discounts; non-cable revenue; revenue paid to home shopping programmers from sale of merchandise; directory or Internet advertising revenue; and other revenues.

65.004(r) requires fees to be paid to municipalities quarterly. Allows municipalities to review the business records of the cable provider.

65.004(s) requires provider's system to consist solely of the optical spectrum wavelengths, bandwidth, or other current or future technological capacity used for the transmission of video programming over wires.

65.004(t) requires PUC to prevent municipalities from requiring providers to pay fees or assessments, including any application, permit, excavation, inspection, PEG channel support fee. Does not preclude the assessment of generally applicable taxes or fees.

65.004(u) requires PUC to allow a cable or video service provider to pass through to customers the fee imposed by

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this chapter.

65.004(v) provides that institutional network and cable services to community public buildings must continue to be provided pursuant to terminated municipal franchise agreements until 2015 or until the term of the franchise was to expire.

65.005 Provides that federal law may overrule these sections.

No equivalent provision.

SECTION 13. Requires PUC to conduct a one-time review of its reporting requirements for telecommunications utilities to determine the ongoing need for the required reports.

SECTION 14. Repeals Utilities Code Sections 52.254 to eliminate the requirement for telecommunications utilities to file the *Report of Certain Expenses*.

No equivalent provision.

SECTION 41. Requires PUC to study and report to the Legislature by September 1, 2006 concerning compensation flowing to the cities from voice, video, and cable providers.

SECTION 42. Similar to Senate version, except specifies PUC must promptly begin review of reporting requirements and requires PUC to solicit input from interested parties, not affected parties as in Senate version. Requires PUC to establish criteria for the information, eliminate unnecessary reports required by rule, and change requirements to make reporting more efficient, while Senate version requires PUC to consider these factors.

No equivalent provision.

SECTION 43. Repeals Utilities Code Sections 11.008 (Liberal Construction of Act), 15.003(c) (Attorney Fees), 15.028 (Civil Penalty), 15.030 (Criminal Penalty), 15.052

Same as Senate version.

SECTION 13. Same as Senate version.

SECTION 14. Same as Senate version.

Same as Senate version.

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	(RV Park Owner Complaints), Chapter 17 (Customer Protections), and Chapter 62 (Broadcaster Safeguards).	
No equivalent provision.	SECTION __. Repeals Subchapter C, Chapter 57, Utilities Code that established the Telecommunications Infrastructure Fund and provided for assessments. (Added by Second Reading Amendment #29 by Thompson)	Same as Senate version.
No equivalent provision.	SECTION 44. Deleted by Second Reading Amendment #1 by King.	Same as Senate version.
No equivalent provision.	SECTION 45. Provides that the repeal of 15.003(c) (Attorney Fees) would not apply to a suit commenced before the effective date of the repeal.	Same as Senate version.
No equivalent provision.	SECTION 46. Provides that the repeal of 15.028 (Civil Penalty) and 15.030 (Criminal Penalty) would not apply to a violation of those sections that occurs before the effective date of the repeal.	Same as Senate version.
SECTION 15. Governs implementation of new provisions on PUC conflicts of interest.	SECTION 47. Same as Senate version.	SECTION 15. Same as Senate version.
SECTION 16. Governs transition to increased administrative penalties.	SECTION 48. Same as Senate version, except includes provision related to the ability of the executive director to delegate administrative penalty duties.	SECTION 16. Same as Senate version.
SECTION 17. Governs transition to new independent organization board.	SECTION __. Same as Senate version. (Added Second Reading Amendment #3 by Solomons).	SECTION 17. Same as Senate version.

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No equivalent provision.

SECTION __. Requires PUC to consider establishing an interruptible industrial service load reserve margin for ERCOT. States legislative finding that economic benefits are created by the ability of businesses to participate in an alternative interruptible service and that PUC should consider these benefits. Requires PUC to report actions taken regarding interruptible services and result of analysis by January 1, 2006. (Added Second Reading Amendment #6 by Hopson).

Same as Senate version.

SECTION 18 of this bill establishes an effective date of September 1, 2005.

SECTION 49. Same as Senate version.

SECTION 18. Same as Senate version.